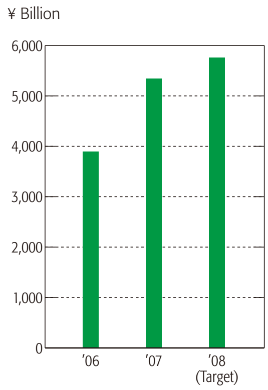
AN INTERVIEW WITH THE PRESIDENT

Q1. Would you give us an overview of the past fiscal year and the outlook for the year ahead?

Revenues from Operations

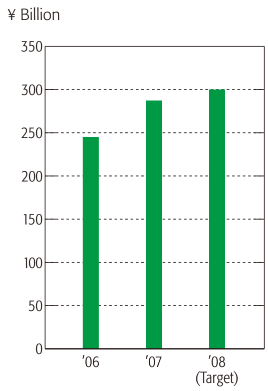


A1. In the fiscal year ended February 2007, the operating environment faced by companies in the domestic retail industry remained challenging. Key factors included unseasonable weather and a delayed recovery in consumer spending. However, Seven & i Holdings' existing businesses recorded favorable results overall, with strong contributions made by 7-Eleven, Inc., in the United States, and by Seven Bank. Contributions were also made by Millennium Retailing and York-Benimaru, which were consolidated from the year under review, and we recorded substantial gains in revenues and profits. Since Seven & i Holdings was founded, we have implemented initiatives to strengthen and expand our operational areas, and I believe that our results in the past fiscal year reflect the success of those initiatives. (See pages 2 and 3.)

In the fiscal year ending February 2008, we will continue working to reinforce our existing fields of business and striving to leverage synergies. Specific initiatives will include increasing convenience for our customers by extending the Group's original electronic money *nanaco*—which has been available in all Seven-Eleven Japan (SEJ) stores since May 2007—throughout the Group. (See pages 11 to 13.) In addition, we will work to expand sales of our new private-brand products, which have been available since May 2007. (See pages 13 and 14.)

As a result of these initiatives, for the fiscal year ending February 2008, we are forecasting revenues from operations of ¥5,755.0 billion, up 7.8%; operating income of ¥300.0 billion, an increase of 4.6%; and net income of ¥150.0 billion, a gain of 12.4%. The relatively low increase that we are forecasting for operating income is attributable to two main factors. The first will be expenses incurred in convenience store and financial services operations stemming from the introduction of *nanaco*. The second will be the need for upfront investment, including higher costs in convenience store operations in North America accompanying the implementation of aggressive store revitalization measures.

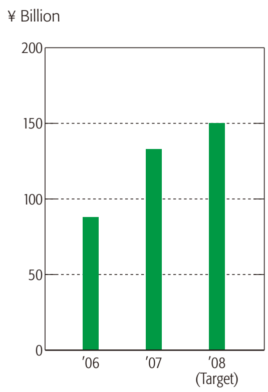
Operating Income



Q2. The Group has completed its second fiscal year since the move to the holding company system with the establishment of Seven & i Holdings. How would you evaluate the changes the Group has implemented over that period?

A2. Since its establishment, Seven & i Holdings has had responsibility for the Group's management strategies as the listed company that represents the Group. Operating companies have complete responsibility in their fields of business, where they work independently to secure gains in profit growth and capital efficiency. We have clarified the roles of the holding company and the operating companies. We have worked together to establish our core operational areas, expanded into new fields of business, and bolstered our existing operations. As a result, I believe that we have smoothly completed the first phase—building a foundation for growth as "a new, comprehensive lifestyle industry." At the same time, as we enter the second phase, where we will focus on further expanding the scale of our operations and increasing our profits, I believe that we will be able to heighten the potential of the entire Group.

Net Income



Q3. Seven & i Holdings oversees operating companies working in a range of retail formats. What fields will the Company focus on over the medium to long term, and what initiatives will it implement in those fields?

A3. We will continue working to strengthen our existing fields of business. In particular, we will focus on initiatives that contribute to raising revenues on a Groupwide basis, such as promoting *nanaco* and e-commerce and expanding our global network of convenience stores.

nanaco was launched at all SEJ stores by May 2007. In the future, we will expand *nanaco* to all Group stores in Japan. At the same time, we will strive to ensure that we establish a superior competitive position in the electronic money business. For instance, we will establish links between *nanaco* and the point services offered by Group operating companies, and we will extend *nanaco* usage and point service tie-ups outside the Group. (See pages 11 to 13.)

Consumer purchasing patterns are changing, and there are trends toward fewer children per family and an aging population. In this setting, e-commerce services are showing rapid growth. Several Group companies are already offering their own Internet sales, and in the future we will consider establishing a joint Group site and developing a comprehensive Internet sales business.

We will focus on further expanding our global network of convenience stores and on raising the value of the 7-Eleven chain. Specifically, in Asia, Europe, and South America, we will step up our development of area licensees through 7-Eleven, Inc. In Asia, SEJ is giving consideration to providing area licensees with its know-how in such areas as product development as it works to achieve a higher level of store development. (See pages 14 and 15.)

Q4. What are your thoughts about mergers and acquisitions in the retail industry?

A4. We are not considering mergers or acquisitions undertaken simply for the purpose of expanding our market share or the scale of our operations. We will remain focused on management activities that strengthen or complement our existing operations, and we will actively consider M&A activities that are consistent with that approach.

We do not focus only on operational scale or market share because we believe that—in addition to a fundamental management focus on profits and quality—our most important task is responding to the dramatically changing operating environment in the retail industry. If we do not continually reinvent ourselves in response to customer needs, then even the largest operational scale will not ensure our survival as an ongoing enterprise.

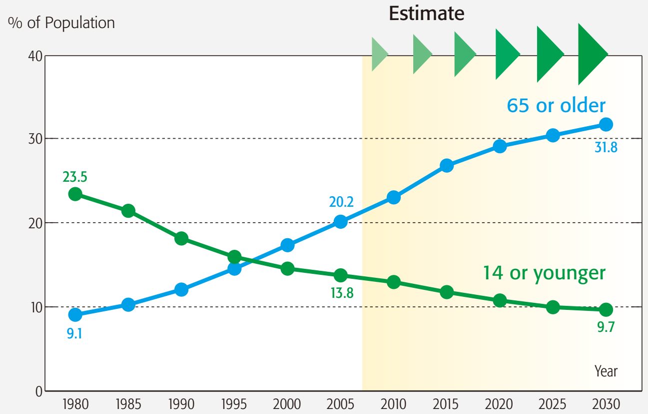
Q5. Some industry observers have said that the domestic convenience store industry is facing an extremely difficult operating environment because there are too many stores and business formats are limited. What is the position of Seven & i Holdings on this issue?

A5. We believe that there is room for further growth in the domestic convenience store industry. Currently, SEJ has established a dominant position in the industry. On this operational foundation, we will strive for further growth.

The number of small and medium-sized stores, which account for more than half of the retail stores in Japan, is declining. However, customers want to be able to make purchases and use services at nearby stores. Also, as the population ages, the range of customer activities is contracting. And as purchasing behavior diversifies, e-commerce is growing rapidly. As a result, there is a need for the establishment of bases for product delivery and settlement. We expect further growth in needs for nearby stores.

Moreover, we have sufficient opportunity to expand our store network in Japan. At this point, we have

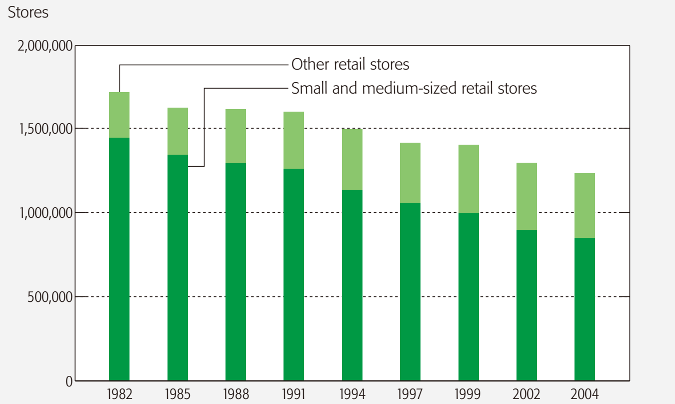
Japan's Population by Age



Sources: National Institute of Population and Social Security Research, Population Statistics of Japan; Ministry of Internal Affairs and Communications, Statistics Bureau opened stores in only 34 of Japan's 47 prefectures, and we can open stores in new regions. We can also step up store openings in urban areas with high population densities.

Furthermore, we will continue such initiatives as the development of SEJ original products and work to expand sales of the Group's new private-brand products, which showcase the know-how of Group companies. Also, we will work to increase convenience for customers through tie-ups with *nanaco*, which was introduced into all SEJ stores by May 2007, and point services. Moreover, Seven Bank ATMs have already been installed in nearly all stores nationwide. These stores will serve as bases for the provision of financial services through these ATMs. In addition, they will be bases for the provision of operating cash (change) services by Seven Cash Works, which was established in June 2007. (See page 33.) In these ways, we will work to further increase the added value of SEJ stores.

Number of Retail Stores in Japan



Note: The number of small and medium-sized stores is the number of stores with four employees or less.
Source: Ministry of Economy, Trade and Industry

By steadily implementing these initiatives, we will work to take a wide-ranging approach to increasing customer convenience in small service areas and to achieve further growth in convenience store operations.

Q6. Seven & i Holdings has announced a target of 10% for consolidated ROE. What initiatives will the Company implement to achieve this target?

A6. To achieve our consolidated ROE target of 10%, we will work to increase profitability in each of our fields of business. Accordingly, we implemented business reform measures at Ito-Yokado and established a subsidiary in preparation for the restructuring of our restaurant operations. Moreover, to generate synergies, we have worked to develop our new private-brand products and have introduced our original electronic money *nanaco*. We are also working to raise capital efficiency, and we have made investments to strengthen our operational foundation. For example, we have made 7-Eleven, Inc., in the United States, and York-Benimaru wholly owned subsidiaries. Also, our investments in the establishment of new operational areas have included making Millennium Retailing a wholly owned subsidiary and making Loft a subsidiary, and we will continue to make aggressive investments in the future.

As for our financial strategy, we will work to maintain a consolidated dividend payout ratio of 35% while continuing to emphasize profit growth. In addition, we will consider flexible acquisitions of our own shares.

Q7. Dividends for the fiscal year ended February 2007 have been increased by ¥2.00 per share from initial forecasts. Would you discuss the Company's future dividend policy?

A7. Our basic policy is to provide a return of profits in line with profit growth, and we are targeting annual dividends of ¥50.00 per share while working to increase the consolidated payout ratio, for which our benchmark is 35%. We will utilize our internal reserves to conduct aggressive investment in existing businesses in accordance with clear investment standards and to restructure our operations by investing in new businesses.